



TOWN OF NORTH ANDOVER

FINANCE COMMITTEE

Meeting Minutes

Meeting Date: February 21, 2012

Meeting Location: Town Hall, First Floor
Conference Room

Meeting called to order: 6:50PM

Alan LeBovidge AL, Chairman	X	Ramsey Bahrawy- RB	
Tom Dugan TD, Vice Chairman	X	Robert Norbedo-RN	X
Ben Osgood-BO	X	Matthew Remis-MRem	
Dan Leary -DL	x		
Peter Besen-PB	X	Pat Sifferlen, PS, Admin	X
Donald Elliot DE	X		

Non FinCom Members in Attendance

OTHERS: - Lyne Savage (LS) Joyce Bradshaw (JB)

Note: All FINCOM votes are subject to change upon receipt of new information.

Note: Documents used in this meeting are listed in Document Table, herein.

II. Previous Minutes Approved

AGENDA ITEM: A. RFCC

LS discussed the RFCC recommendations. Group insurance up 9% based on QBS recommendations. Trust fund Balance down to 800K 9% will not increase reserve balance.

Unemployment Do not expect an increase over FY12

Police and Fire Accident & Sickness Insurance VFIS no increase over FY12

Workers compensation MIIA recommendation need to increase by 10-12% plus there was an additional assessment of 23 701.79 for next 3 years. Self insurance was not charging communities enough and need to pay additional assessment.

Liability insurance MIIA recommends a need to increase by 10-12% based on a premium increase.

Retirement contributions based on the estimates rec'd from Essex Regional set number. % off if we pay by July 1 (63K)

Debt Services. It is what it is

Overlay last 3 yrs there has been a deficit in the overlay

State assessments are down 6.74% (retired teachers health insurance had biggest decrease)

GLTS preliminary #'s from GLTS do not expect to chg.

AGENDA ITEM: B. Warrant Discussion (Joyce Bradshaw)

Discussion: Warrant closes March 30th. May 16th Fincom Report due.
Would like to get warrant numbers earlier town manager very cooperative get it numbered and ordered by BOS. Will have Standard stuff. June 12th extended timeframe.
All the rules and regulations and templates are on town website for citizens to review should they want to put an article in.
BO Talked about explaining the article and make it simple version to write out recommendations. Articles that are more complicated we talked about writing our reason for approval or disapproval.
TD you could have different headers one explaining the article and one giving the Finance committees recommendations
JB this makes it extremely clear to the public as to why you voted and your reasoning Your guidance as the finance to committee to the public is very helpful to them makes it very clear to them
Some of the boiler plate articles you could say this is an annual warrant.
Td these are just reoccurring articles and that is why we agree with them.
PB we insert a boiler plate on the contract that town meeting approved we insert a blank warrant article no action standard. Fincom was instructed by town meeting to put it in every year. A standard article that goes in that says no action
JB we can check the town meeting action pursuant to whatever town meeting approved that.
JB By law BOS decides order of articles. Usually follows a pattern prior years financial comes first, budget, cip, cpa and then you would head into zoning and any petitions Normally zoning is at the very end. Moderator likes to have a little structure.
BO Capital improvement articles should be clustered with all the financial articles.
JB Do you have a preference for the cip to come before or after the budget.
AL: I would say after.
BO We need to assign warrants for write ups early to members of fincom.

AGENDA ITEM: D. New Business

Discussion: BO town manager went over enterprise fund. Is that article about sewer going up osgood street in the enterprise this year? I couldn't find it. I question whether we should spend 7 million on sewer lines to the Haverhill line Sutton Street down Osgood St to Haverhill Line) approx 2 miles.

TD it is in the packet he gave us last week. Osgood Street Sewer Preliminary Design.

BO We should discuss the pros and cons on this. Discussion was made on where to place the sewer lines what is the difference in cost to run they say it is not that much more to run it the way they are going. I would like to know what the difference is. Why can't they do the straight shot thru lucent?

The landlord is being difficult to deal with, wants town to replace station.

Why can't we take it by eminent domain?

We need to have a presentation by the town manager and Bruce Thibodeau.

Not even sure what is included in the 7 million.

If businesses already have sewerage on osgood street we can't charge them again.

AL If lucent plant doesn't need to tie in we are spending 7 million plus to get the fields after lucent tied in.

We need to have Andrew come in again to discuss Enterprise Fund.

Could we recommend spending this money without more facts. Where is this betterment money going to come from?

BO the funding is going to come from the sewerage. Everyone will eventually pay.

BO Why did they settle for one ambulance? When you read the write up about this stuff they are financed for 10 years. Two ambulances are moving all the time they make 3k calls per year. On Page 37 of CIP it says the 2008 ford repairs were approx 8k dollars that's is not an old vehicle they are expecting this to go another 6 years if we are spending 8k on a 4 year old car we would be going bankrupt.

I am not sure why he took out one. This is something I would like to ask the Fire Chief. This is why we like to talk to dept heads.

We exist to do in depth analysis of depts report to the public our opinion and make our recommendations.

We couldn't argue the budget if we didn't talk to dept heads

BO Building Maint FY13 150K set aside 50K to tear down wooden sections of the Bradstreet school and police station. I think this is a waste of money you could tear the whole police station down for 50K. we should ask why are we spending 50k to tear down the wooden structures when eventually we may be tearing down whole building.

AL It is going to be a liability issue. In most business you have a contingency fund that you need for what you don't know yet.

I don't like the idea of having a building maint fund. It is another slush fund.

IV. Next Meetings

February 28, 2012

V. Adjournment-

Motion: DE Unanimous
 Seconded: TD Time: 9:00

ITEM #	ACTION ITEM	INDIVID.	COMPL. DATE	STATUS

ITEM #	TYPE	FROM	TO	SUBJECT	COMMENTS
1	RFCC	Lyne Savage	Fincom	Non Departmental expenditure detail	
2	Warrant book	Joyce Bradshaw	Fincom	Discussion on warrant	
3					

DOCUMENTS PROVIDED AT MEETING